



Tax & Accounting

Choosing the Right Tax Software for Your Small Firm

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Choosing tax software for your small firm shouldn't feel overwhelming. Yet many firms find themselves comparing features, pricing, and promises that sound nearly identical.

At Wolters Kluwer, our years working with smaller accounting firms have taught us an important truth: the best software decisions aren't about having every possible feature. They're about finding the right fit for how your firm works today and how it plans to grow.

This guide highlights what matters most when evaluating tax solutions. You'll learn what to prioritize, what to avoid, and how the right technology can simplify your workflow, strengthen client relationships, and position your firm for sustainable growth.



What Small Firms are Facing Today

If you feel like running a small firm has gotten harder, you're not imagining it. The pressures are real – and they're coming from every direction. Talent shortages, rising client expectations, and technology gaps create a tough cycle to break.

The talent crunch isn't just about hiring

For years, the conversation was about finding people. Today, that same conversation is happening, but now it also includes keeping the people you have healthy, engaged, and growing. Balancing workload and employee well-being is the top concern for 35% of small firms, and it's easy to see why. Busy season still means long hours, but now those hours stretch across the year.

Many small firms are investing in their people – shifting their talent strategy to a combination of “build” and “buy.” But here, too, some small firms are also struggling: nearly one in three small firms (31%) say providing ongoing training and upskilling is a major challenge. Meanwhile, larger firms can offer signing bonuses, comprehensive benefits, and clear career paths.

The result? A cycle where every empty desk adds pressure, and every extra hour worked pushes your remaining team closer to burnout. Recruiting becomes harder, and retention becomes even more critical.

Tight deadlines and rising complexity

Deadlines have always been part of the job, but the stakes are higher now. Completing work accurately and on time ranks among the top five challenges for small firms, and regulatory complexity – another top challenge – is a big reason. Despite the increasing effort many small firms put into keeping up with evolving tax laws and regulations, clients expect the same – or faster – turnaround time.

When your team is already stretched thin, every new rule or filing requirement adds pressure. The result? More late nights, more stress, and more risk of errors, exactly what you are trying to avoid.

Technology adoption: Progress without integration

Technology should make things easier, and in some ways, it has. Firms report that their technology helps with core business challenges, from adding new clients to improving client response time. But here's the catch: most firms aren't seeing the full benefit.

While 77% of small firms now operate at least partially in the cloud, nearly 60% say their tech stack is less than 50% integrated. That means firms are paying for tools that don't talk to each other, creating inefficiencies that eat into the very productivity gains cloud adoption promises.

The takeaway? Moving to the cloud is only the first step. Without integration, firms miss the efficiency, scalability, and client experience gains that modern technology can deliver.

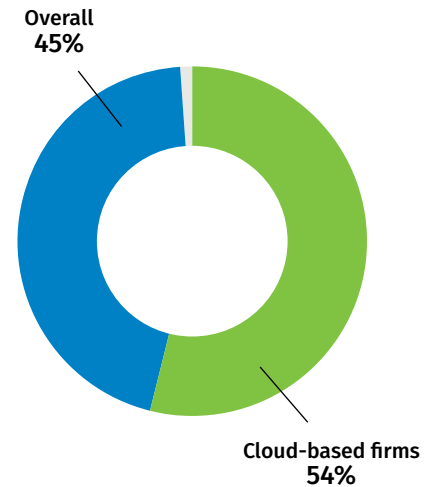
Why everything feels harder

Growth is still the goal. Acquiring new clients tops the list of business priorities, but it's also the top pain point. Combine that with talent shortages, tight deadlines, and disconnected systems, and you have a cycle that's tough to break:

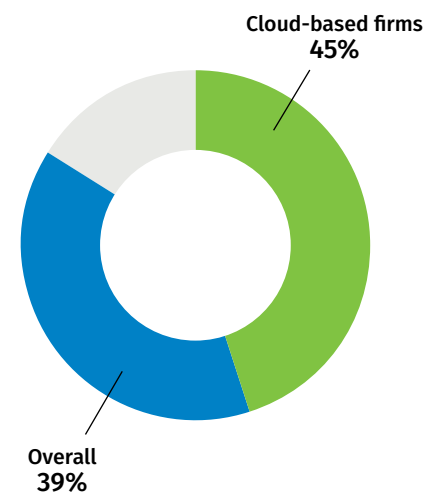
- Overloaded staff struggle to keep up with compliance changes.
- Manual processes slow down work and increase errors.
- Clients expect real-time answers and proactive advice, even as firms fight to meet basic deadlines.

The solution isn't working harder; it's working smarter. That means leveraging technology that integrates, automates routine tasks, and frees your team to focus on high-value advisory work.

Technology always meets their needs for marketing and growing the business



Technology always meets their needs for overcoming staffing challenges



Cloud-based firms are more likely to say their technology always meets their needs for marketing and growing the business (54% vs. 45% overall) and overcoming staffing challenges (45% vs. 39% overall).



When evaluating tax software, focus on features that make a real difference during busy season and support your long-term growth.

What to Look for in Tax Software

How do you separate real solutions from slick demos? The market is crowded with options that promise to “revolutionize your practice.” Most of these options were built for large firms and scaled down, leaving small firms with unnecessary complexity and potentially hidden costs.

When evaluating tax software, focus on features that make a real difference during busy season and support your long-term growth.

Cloud-native access: Work securely from anywhere

True cloud-native software means no local installations, no server maintenance, and no surprise IT headaches or bills. You log in from any device, anywhere, and everything works. Look for:

- Automatic updates that happen overnight without disrupting your workflow.
- Enterprise-grade security that protects your data better than any local server.
- No more paying for IT support or server maintenance that drains your budget.

Watch out for desktop components and manual installs or updates. Software that requires manual updates turns your firm into an IT department, missed patches create security gaps, and update failures can derail work during peak season.

Ease of use: Ensure new staff are productive fast

Your software should be intuitive enough that new hires can start preparing returns in days, not weeks. A clean interface and guided workflows reduce training time and minimize errors. Look for:

- Step-by-step workflows that walk users through each step.
- Built-in diagnostics to catch errors before filing.
- Clear navigation that eliminates endless menu clicks.

Watch out for complex interfaces built for large firms. If your team needs hours of training just to get started, productivity suffers and errors increase.

Scalability: grow without switching platforms

Your firm shouldn't outgrow its software. The right platform scales with you—whether you're adding seasonal staff or expanding services. Look for:

- Tiered packages that scale from 100 returns to unlimited.
- Flexible user licensing for seasonal staff.
- Feature expansion that unlocks advanced capabilities as needed.

Watch out for rigid platforms that require costly migrations or upgrades. Switching systems mid-growth can disrupt operations and drain resources.



Built-in compliance: Stay ahead of regulatory changes

Tax laws change constantly, and your software needs to keep pace automatically. Built-in compliance tools help you stay current and reduce risk. Look for:

- Automatic updates for new e-filing requirements.
- Built-in support for emerging regulations.
- Multi-factor authentication and encryption that exceed IRS minimums.
- Integrated e-filing to track every submission, from upload to acceptance

Watch out for manual compliance tracking or delayed updates. Failing to comply with regulations can lead to filing errors, penalties, and client dissatisfaction.

Inclusive form set: No hidden fees or restrictions

Your software should include all the forms you need, without surprise charges or paywalls. A comprehensive form library ensures you can serve any client confidently.

- Thousands of forms covering individual, business, state, and specialty returns.
- No premium paywalls for common forms like 1120S, 1065, or Schedule C.
- Transparent pricing without hidden costs.

Watch out for platforms that charge extra for basic forms or limit access based on subscription tiers. These hidden fees add up fast and restrict your ability to serve clients efficiently.



2023:1040VALBAHV1 - Smith, John - Tax

FED - Due 50,144 | IL - Due 2,655

Home Review View Manage Import / Export Help

Ask a question

Diagnosics Input Override Reversed Tick Marks Summary Status Export View Attachments Letters Notes Statements Federal Elections View Insert Tick Marks All Overrides All Estimates

Dashboard Worksheets Fed Government State Government Return Group

Consolidated 1099 - Entity 1: Fidelity Investments-7654 Passthrough Recap - Basic Information

Worksheets

- Income
 - Wages, Salaries and Tips (W-2)
 - 1 - Wages and Salaries (IRS W-2)
 - 2 - Social Security and Medicare Tax
 - 3 - Uncollected Social Security and Medicare Tax
 - Interest (1099-INT)
 - 1 - Interest (IRS 1099-INT)
 - 2 - Foreign Account Information
 - Dividends (1099-DIV)
 - 1 - Dividends (IRS 1099-DIV)
 - 2 - Foreign Account Information
 - Consolidated 1099
 - 1 - General
 - 2 - Form 1099-DIV Dividend Income
 - 3 - Form 1099-INT Interest Income
 - 4 - Form 1099-MISC Miscellaneous Income
 - 5 - Foreign Account Information
 - 6 - Gains and Losses

Selected Section

Fidelity Investments-7654

4 - Form 1099-MISC Miscellaneous Income

5 - Foreign Account Information

6 - Gains and Losses

Detail Find Row: 1 of 24

Description	Quantity	Sales Price	Cost or Other Basis	Accountant Gain / Loss - Override	Date Acquired	Date Sold	Term Code	1099-B Code	Corrected 1099-B Basis
TRANSCO INC		1,398	900		06/01/16	09/08/23	A		
GFL COMPANY		11,200	7,090		04/01/17	09/08/23	A		
TICKETMASTER INC		1,628	1,273		03/01/22	09/08/23	A		
AT&T INC	400.000	10,090	11,411		11/23/21	11/05/22	S	A	
AT&T INC	21.000	530	632		03/25/22	11/05/22	S	A	
AT&T INC	279.000	7,038	8,759		05/28/20	11/05/22	L	A	
XCEL ENERGY INC	1.910	126	123		09/22/19	03/25/22	L	A	
XCEL ENERGY INC	3.725	246	241		09/22/19	03/25/22	L	A	
XCEL ENERGY INC	3.807	251	246		09/21/19	03/25/22	L	B	
XCEL ENERGY INC	3.820	252	247		09/21/19	03/25/22	L	B	
XCEL ENERGY INC	3.834	253	248		09/21/19	03/25/22	L	B	
XCEL ENERGY INC	2.049	764	740		09/21/19	03/25/22	L	B	
	836.000	40,862	38,846	0					0

“[CCH Axcess Tax Essentials] is such a time-saver for me that I can spend more time with my clients talking about the numbers, not figuring out if they’re right.”

Jamie Scott, CPA

Sole Proprietor, Empower Ventures, LLC

Why Small Firms Choose CCH Axcess™ Tax Essentials

You’ve seen what to look for – and what to avoid. Now let’s look at how one platform checks all the boxes. CCH Axcess Tax Essentials was built specifically for small firms, with the features you need and none of the complexity you don’t.



True cloud performance

CCH Axcess Tax Essentials runs entirely in the cloud – no desktop workarounds, no manual syncing. Your data is encrypted, backed up automatically, and accessible from anywhere. Updates roll out overnight, so you’re always current without lifting a finger.



Modern, intuitive interface

The platform feels familiar, like Microsoft 365, making onboarding simple. Guided setup, self-paced training, and customizable dashboards help your team work efficiently from day one.



Scalable pricing and features

Start small and grow without switching platforms. Every package includes full functionality, without hidden tiers or surprise charges. Seasonal staff? No problem. Advanced features? Available when you need them.



Inclusive form set

Thousands of forms come standard, including multi-state returns, partnerships, and S-Corporations. No premium paywalls. No limits on the clients you can serve.



Beyond tax prep

CCH Axcess Tax Essentials helps you do more than file returns. Built-in portals streamline document exchange and e-signatures. Real-time diagnostics catch errors before they become problems. And as your firm grows, the CCH Marketplace connects you to additional tools that integrate seamlessly.

Ready to Work Smarter?

Small firms face more pressure than ever: tight deadlines, rising client expectations, and the ongoing challenge of finding and keeping talent. The question isn't whether to change, it's how.

CCH Axcess™ Tax Essentials is designed for firms like yours: small practices that need powerful tools without the complexity or cost of enterprise platforms. With true cloud performance, an intuitive interface, scalable pricing, and every form you need included, this platform helps you:

- Eliminate IT headaches with automatic updates and enterprise-grade security.
- Reduce turnaround times with automation and real-time diagnostics.
- Serve any client confidently with a comprehensive form library.
- Create capacity for advisory work that drives growth and client loyalty.

You don't have to choose between efficiency and profitability. With the right technology, you can do both and position your firm for sustainable growth.

CCH Axcess Tax Essentials can help your firm work smarter, not harder.

[Learn more →](#)



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